

Welcome to the November 2011 edition of Middle East News which comprises a selection of reports and articles on current projects and economic issues in the region. We trust you will find the articles of interest and please do contact us if you would like further information.

United Arab Emirates

Construction

Emirates Steel says Gulf demand will double

Emirates Steel says that its demand for steel in major construction and infrastructure projects in the GCC is set to double by 2015. The CEO of Emirates Steel said the company will become the leading manufacturer and supplier of structural steel in the Middle East.

Abu Dhabi project delays to hurt Dubai Recovery

A slowdown in Abu Dhabi's construction market could unnerve investors who have banked on Abu Dhabi to offset the collapse of Dubai's property market in late-2008. The oil-rich UAE capital has pushed back the delivery of major projects for financial prudence.

Arabtec profit surges as growth continues abroad

The largest builder in the United Arab Emirates by market value, Arabtec, had a net profit surge of more than fivefold making a net profit of Dh39.1 million (\$10.6 million) for the third quarter. Arabtec did not give a reason for the profit jump.

Dubai developer Deyaar in the black in Q3

Deyaar, Dubai's second largest developer by market value, eked out a small profit in the third quarter and have reiterated its plan to hand over two towers by the end of the year.

Drake & Scull Q3 net income climbs 76%

Drake & Scull International, a Dubai-based contracting firm, posted a 76% increase in net profit for the third quarter and claims to maintain growth for the fourth quarter.

Economy

UAE issues new draft on short-selling, borrowing rules

The UAE market regulator (Securities and Commodities Authority) has published new draft rules on short-selling and borrowing, asking investors for feedback, as it hopes to boost trade and attract more foreign investment. The new regulations will allow investors to short-sell which is currently not allowed in the UAE's two markets.

Border security key to UAE economy

The UAE seaport and border securities are at par with international standards and are constantly being upgraded as foreign trade is the most important sector of the UAE economy. Last year the seaports and airports accommodated more than Dh654 billion in total trades.

Transport

Dubai Airport Free zone set to attract more companies

The Dubai Airport Free zone will be participating at the Dubai air show 2011. The free zone is set to leverage the Emirate's investment opportunities in the aviation and aerospace industries and attract more aviation companies to its vicinity.



Oman

Construction

Oman's construction spend to hit \$27 billion by 2014

Following a difficult second quarter of 2011, significant infrastructure projects have boosted the industry and the upcoming years are expected to see a steady growth.

\$3billion steel plant on anvil

Oman Oil Company, the government owned investment firm, has signed a Memorandum of Understanding with an Indian steelmaker (Steel Authority of India Limited) for the establishment of a huge steel plant in the Sultanate. A preliminary agreement envisions the joint development of a 3 million tons per annum capacity plant with an investment of around \$3 billion.

Economy

Oman Industrial Investment and Partnership Forum in February

In line with the significant efforts to market Oman's industrial profile to the global arena and to highlight Small and Medium Industries (SMIs) capabilities to potential regional and international buyers, partners and investors, the Sultanate will host Oman Industrial Investment and Partnership Forum on February 27-28, 2012.

Transport

Oman Air confirms \$1.2 billion Dreamliner purchase

Oman Air has confirmed six orders for Boeing's next-generation 787-8 Dreamliner, in a deal that is estimated to be worth around \$1.2 billion. Oman Air has been making a loss but officials at the carrier have said that they expect the airline to break even around 2014.

Larsen & Toubro Oman wins \$177.66m Oman road works

Larsen & Toubro (Oman) has won twin orders worth \$177.66 million from the Muscat Municipality and the Ministry of Transport and Communications. A joint venture has been entered between the Zubair Corporation and one of India's largest and most respected private-sector companies, Larsen & Toubro (Oman) and they are currently overseeing 12 projects in Oman.

Transport ministry takes over Oman railway project

The Supreme Committee for Town Planning has handed over responsibility for the completion of the multibillion dollar Oman National Rail Project to the Ministry of Transport and Communications. This is in response to a recent decision by the Council of Ministers, who looked to restore the SCTP's original purpose as the Gulf nation's central planning body.

The articles and commentary comprising this publication have been collected and collated from local and regional press sources in Dubai, the Middle East and beyond. Neither the contents of these articles and commentary nor their inclusion in this publication should be seen as representative of the views of Gateley, its partners and staff or as confirmation of the accuracy or the veracity of the relevant articles and commentary.

Contact:

Paul Taylor, partner
dt: +971 4 321 9999
m: +971 5 055 10474
PTaylor@gateleyae.com